

STATE OF ARIZONA

MAY 21 1996

DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE
BY WLB

In the Matter of the Withdrawal of:) Docket No. 96A-032-INS
ALLEE-NEWMAN)
LIFE INSURANCE) ORDER
COMPANY (NAIC No. 85480),)
Petitioner.)
_____)

On May 16, 1996, the Office of Administrative Hearings, through Administrative Law Judge Lewis D. Kowal submitted "Findings of Fact, Conclusions of Law and Recommended Order", a copy of which is attached and incorporated by this reference. The Director of the Arizona Department of Insurance has reviewed the recommendation, and enters the following order:

1. The recommended findings of fact and conclusions of law are adopted.
2. The Petitioner may file its Articles of Amendment to its Articles of Incorporation with the Arizona Corporation Commission.
3. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and Petitioner's statutory deposit shall be released to the Petitioner after the Department has received the following: (a) payment of examination expenses, if due; (b) a copy of its Articles of Amendment to its Articles of Incorporation certified as filed by the Arizona Corporation Commission; and (c) a fully executed E126 (Notice of Statutory Deposit). The statutory deposit cannot be

1 released until the Department receives a fully executed copy of
2 the official State Treasurer Release Receipt.

3 4. The sum of \$100.00 previously credited to the
4 Insurance Examiners' Revolving Fund ("IERF") shall be refunded
5 to the Petitioner, pursuant to A.R.S. §20-159.

6 5. The Petitioner shall file its 1996 Annual
7 Statement with the Department, together with all applicable fees,
8 unless Petitioner files its Articles of Amendment on or before
9 December 31, 1996.

10 NOTIFICATION OF RIGHTS

11 The aggrieved party may request a rehearing with
12 respect to this Order by filing a written petition with the
13 Office of Administrative Hearings within 30 days of the date of
14 this Order, setting forth the basis for such relief pursuant to
15 A.A.C. R20-6-114(B).

16 The final decision of the Director may be appealed to
17 the Superior Court of Maricopa County for judicial review
18 pursuant to A.R.S. §20-166.

19 EFFECTIVE this 21st day of May, 1996

20
21 
22 Chris Herstam
23 Director of Insurance

24 A copy of the foregoing
25 mailed this 21st day of
26 May, 1996

27 Charles R. Cohen, Deputy Director
28 Gregory Y. Harris, Executive Assistant Director
Mary Butterfield, Assistant Director
Catherine O'Neil, Assistant Director
Gary Torticill, Assistant Director
Deloris Williamson, Assistant Director

1 Scott Greenberg, Business Administrator
2 Cary Cook, Solvency Support Unit Supervisor
3 Kurt Regner, Examiner
4 Department of Insurance
5 2910 N. 44th St., Suite 210
6 Phoenix, AZ 85018

7 Office of Administrative Hearings
8 1700 West Washington, Suite 602
9 Phoenix, AZ 85007

10 John L. Hay
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12 201 North Central Avenue, Suite 3300
13 Phoenix, AZ 85073-3300

14 *Carney Walters Burtor*
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OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of the Withdrawal of)	No. 96A-032-INS
)	
ALLEE-NEWMAN)	FINDINGS OF FACT
LIFE INSURANCE)	CONCLUSIONS OF LAW AND
COMPANY (NAIC No. 85480),)	RECOMMENDED ORDER
)	
Petitioner.)	
)	

On May 8, 1996, a hearing took place at the Arizona Department of Insurance (the "Department"), 2910 North 44th Street, Phoenix, Arizona, to consider the application of Allee-Newman Life Insurance Company (the "Petitioner"), NAIC No. 85480, to withdraw from the insurance business and for the release of its statutory deposit pursuant to A.R.S. §20-588 and A.A.C. R20-6-303.

Based upon the entire record in this matter, including all pleadings, motions, testimony and exhibits admitted during the hearing of this matter, Administrative Law Judge Lewis D. Kowal has prepared the following Recommended Findings of Fact, Conclusions of Law and Proposed Order for consideration by the Director:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Petitioner has surrendered its Certificate of Authority to the Department.
2. The Petitioner has filed with the Department certified copies of Resolutions of the Petitioner's Board of Directors and of the Petitioner's shareholder to withdraw from the insurance business, to amend its Articles of Incorporation to eliminate its insuring powers, and to adopt a new corporate name which shall not include the word "insurance".
3. The Petitioner has no insurance obligations owing to it, whether by policies written direct or by reinsurance ceded to it.
4. The Petitioner has filed its certified financial statement as of January 31, 1996 with the Department.
5. At least ten business days before the hearing of this matter, Petitioner gave special notice to creditors and policyholders of the Petitioner, setting forth the date, place, nature and purpose of the hearing, as evidenced by an affidavit of

publication. Petitioner also provided individual notice by mail to its known creditors, as evidenced by an affidavit.

6. The Petitioner has complied with the provisions of A.R.S. §20-588 and with A.A.C. R20-6-303, relating to the release of its \$100,000.00 statutory deposit.

7. The Petitioner may have incurred examination expenses as a result of this withdrawal.

RECOMMENDED ORDER

The undersigned Administrative Law Judge recommends that:

1. The Petitioner may file its Articles of Amendment to its Articles of Incorporation with the Arizona Corporation Commission.

2. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and Petitioner's statutory deposit shall be released to the Petitioner after the Department has received the following: (a) payment of examination expenses, if due; (b) a copy of its Articles of Amendment to its Articles of Incorporation certified as filed by the Arizona Corporation Commission; and (c) a fully executed E126 (Notice of Statutory Deposit). The statutory deposit cannot be released until the Department receives a fully executed copy of the official State Treasurer Release Receipt.

3. The sum of \$100.00 previously credited to the Insurance Examiners' Revolving Fund ("IERF") shall be refunded to the Petitioner, pursuant to A.R.S. §20-159.

4. Petitioner shall file its 1996 Annual Statement with the Department, together with all applicable fees, unless Petitioner files its Articles of Amendment to its Articles of Incorporation with the Arizona Corporation Commission on or before December 31, 1996.

Done this 16th day of May 1996.



Lewis D. Kowal
Administrative Law Judge

Original transmitted by mail, this 16th day of
May, 1996, by Linda J. Heckard; to:

Chris Herstam, Director
Department of Insurance
2910 North 44th Street, 210
Phoenix, AZ 85018-7256